

WCES 2014

Mid-Term Impact Estimation on Evaluations of Rural Development Programs

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Abstract

Mid-term evaluations are carried out during the implementation of the program and shall indicate whether it is necessary to redirect and make corrections before the ex-post evaluation, or for the next programming period. One of the core elements within these evaluations is the estimation of programs expected impacts. This is especially important for the Commission in order to support sound decision making, but also a very challenging task, as many evaluators have pointed out, mainly due to the lack of available data at the time the study had to be carried out. The aim of this study is therefore to analyze how impact estimation has been done in all European Union regions, as well as the problems encountered by evaluators.

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Selection and peer-review under responsibility of the Organizing Committee of WCES 2014

Keywords: impact estimation; methodologies; quantification; mid-term evaluation; Rural Development Programs

1. Introduction

Rural development programs are the major tool of the rural development policy of the European Union (EU) which is presented as the second pillar of the Common Agricultural Policy (CAP). This second pillar takes 69,750 million Euros in the current programming period—2007-2013—and represents 10% of the total EU budget, while the whole CAP takes over 40% (EC, 2011).

These programs are made up of a set of corresponding interventions that are based on common objectives. The objectives are: (1) improving competitiveness in agriculture and forestry; (2) improving the rural environment; and

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(3) improving the quality of life in rural areas encouraging diversification of the rural economy (EC, 2006). Each of these objectives relates to a thematic axe. Member states have to split their rural development capital among each of these three objectives with a top expenditure of 50% for axe 1 and 3, and 55% for axe 2 (Martinez, 2006) in order to make sure an equilibrated approach is guaranteed (EC, 2006).

For the current programming period 2007-2013, Article 84 of Council Regulation (EC) No 1698/2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) states that rural development programs must undergo an ex ante, mid-term and ex post evaluation (European Evaluation Network for Rural Development [EENRD], 2012, article 84 (1)) and should be carried out by independent evaluators (Article 84 (4)) and organized on an ongoing basis established by each Member States (Article 86 (1)). The three types of evaluations share a common aim, which is “to improve the quality, efficiency and effectiveness of the implementation of rural development programs” (Article 84 (2) of Council Regulation 1698/2005, p. 277/33). In spite of this, they shall also /meet their own specific objectives. The focus of the paper will be put on mid-term evaluations, and more specifically on the impact assessment within.

Mid-term evaluations take place during the implementation of a program (European Commission, 2010), and they are essential to ensure that the policies are on track, especially when cause-effect delays are expected to be long. Article 86 of Council Regulation 1698/2005 specifies that the mid-term evaluation report (MTE) shall be a separate document to be delivered until the end of 2010, and that mid-term evaluations are supposed to propose measures to improve the quality of programs and their implementation.

This paper focuses on how the impact estimation was carried out in the mid-term evaluation of the European rural development programs for the 2007-2013 period with special attention to the methodological aspects. There is a double objective in this research. Firstly to improve the impact estimations in the coming ex-post evaluation by the fine tuning opportunity that mid-term evaluation brings over methods and procedures carried out so far (European Evaluation Network for Rural Development [EENRD], 2012). The second objective is to analyze challenges and advantages of the impact estimation at an early stage of the program’s implementation for the next programming period (2014-2020) in which there will not be mid-term evaluation.

For this research the 88 mid-term evaluation reports of European 2007-2013 rural development programs were analyzed. For a wider analysis of these mid-term evaluations the “methodological assessment of mid-term evaluation reports of 2007-2013 rural development programs” by the European Evaluation Network for Rural Development can be consulted.

2. Methodology

The European Commission website was used to obtain all the information related to the rural development programs and the corresponding mid-term evaluations for the 27 member states in the European Union. The directory within this website provides links to different RDPs, their mid-term evaluations and the national Agriculture Ministries of each country.

Rural development programs are designed at territorial level which means that in certain cases they can either be national or regional. All RDP’s mid-term evaluations were found and analyzed, in total 88 separate documents.

The executive summary within the MTE report is a section recommended by the CMEF for the evaluation reports –point 7 of the orientation note B–, its importance has been included as good practice for evaluations by the EENRD (2012). In this research it was found that 79 regions comply with this suggestion which is 88.77% of the total MTEs. These executive summaries were analyzed first. In most cases, the methodology used to collect primary data was specified, however, only the regions that used quantitative methodologies to do the impact assessment mention them in the summary. Therefore, as not all regions quantified, and those that did, just presented a little allusion with no explanation of the methodology followed, the full mid-term evaluations were also scrutinized focusing mainly on impact assessment methodologies.

To begin with, section 4 “methodological approach” was examined, but no significant differences were found with respect to the information contained in the executive summaries, with the exception of certain regions that had used their own methodology and briefly explained the process. As consequence, the section related to the seven impact indicators established by the CMEF was looked at. This information can be found in sections 3, 4 and up to 7 and annexes. This happens because most evaluations do not follow the standard structure recommended in point 7 of

the orientation note B of the CMEF. All the relevant information obtained from both the summary and the mid-term evaluations, such as methodologies, limitations, and type of body that performed the evaluation were recorded for each region in a database. Both the summary and the mid-term evaluations were available in a variety of languages, therefore translators were required to perform this research.

3. Results

Results are structured around 2 main aspects regarding how mid-term impact assessment was carried out in the case of the European Rural Development Programs. First subsection shows to what extent evaluators provide values for all impact indicators. Second subsection deals with how these values are achieved. Both analyses allow for a general perspective about how mid-term impact assessment is performed in this case study.

3.1. Are all impact indicators quantified?

Each of the mid-term evaluations should provide values for each of the 7 common impact indicators. After reviewing the 88 mid-term evaluations of the 2007-2013 periods, the data that can be seen in figure 1 was obtained.

This first analysis reveals that 79 regions do not meet the European Commission demands with regards to the quantification of impact indicators. Only 10% of evaluations do.

The most common situation regarding impact quantification consists on providing values for less than half of the indicators. This happens in 33 out of the 88 mid-term evaluations (which means 37.5% of them). In 19 evaluations, values for more than half of the impact indicators –but not all of them– were provided. Quantification of the 7 impact indicators happens in 9 mid-term evaluations. These 9 evaluations represent 10.2% of the 88 mid-term evaluations. In the remaining 27 evaluations (30.7% of the total) information about impact indicators quantification is provided –methodologies or information needed for instance–, but indicators' values are not. Therefore it is not possible to assure how many indicators are actually calculated.

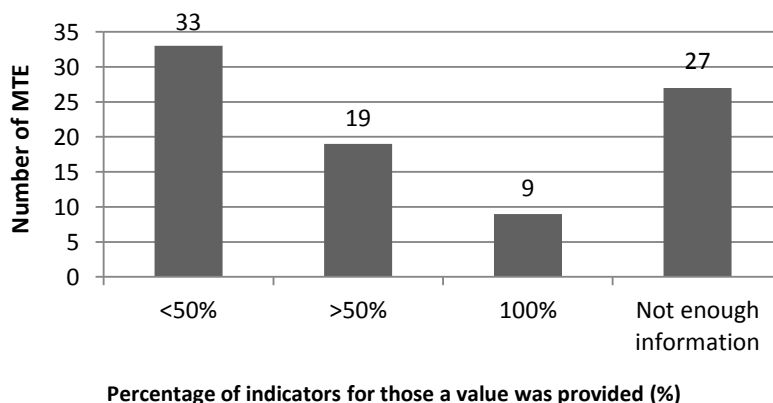


Fig. 1. Percentage of indicators for those a value was provided.

3.2. How do evaluators get the impact indicators' values?

Since impact indicators should be quantified according to the European Commission, it is important to know how indicators values are obtained, besides how many of them are quantified. Figure 2 shows the approach followed in order to obtain impact indicators' values.

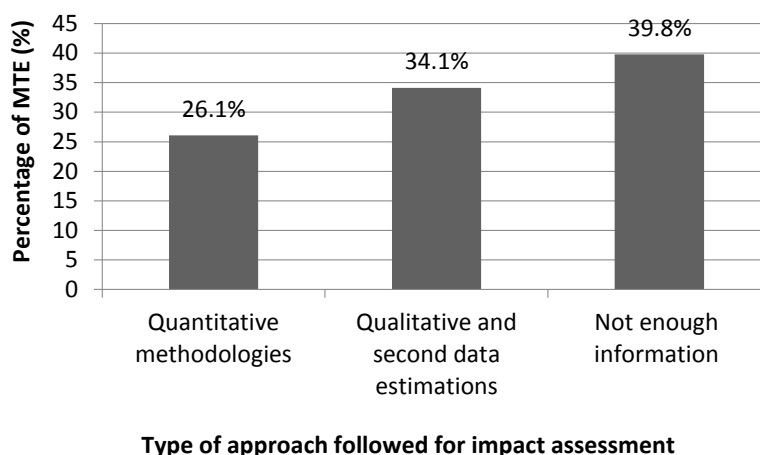


Fig. 2. Type of approach followed for impact assessment.

Just over a quarter of mid-term evaluations are able to apply quantitative methods for the quantification of the impact indicators, while 34.1% of the evaluations must rely on qualitative estimates. Within this group those evaluations in which the quantification of all or some of the impact indicators get replaced by secondary data are included. It is noteworthy that 39.8% of mid-term evaluations do not provide enough information to know how impact indicators values are obtained.

This analysis is not based on the assumption that one approach –qualitative or quantitative– is better than the other, but on impact quantification as a compulsory task demanded by the European Commission in the mid-term evaluation of the European Rural Development Programs.

4. Conclusions

According to data obtained in this first stage of the research being conducted about mid-term impact assessment based on the case study of European Rural Development Programs, impact assessment is not being carried out according to what the European Commission expects from this compulsory task. According to the baseline established regarding the expectations of the European Commission, impact indicators should always be quantified, and this is not happening. Furthermore, it is not always clear how impact indicators values are obtained.

This gap between the extent to which impact quantification should be performed and the real situation could be due to a methodology lack. No methodological design will ever lead to a complete capture of the complex relationships between policy changes and the resulting changes in social, economic, and environmental systems (Helming et al., 2011). However, methodological innovations surely can lead to an increase in the value of the mid-term evaluations (Midmore, 1998; Cecot et al., 2008). Feasible and accurate methodologies should be provided by the European Commission, but also enough data provided by member states is needed, which requires further research. The next step for improving the value of mid-term evaluations is not considered a legal requirement but an opportunity to make policy development more transparent (Thiel, 2009), to implement better programs (Staronova, 2007) and to use public money to make a difference in people's lives (EC, 2012).

Acknowledgements

We would like to thank María Coto and Ricardo Pedraz, from Red2Red Consultores, for their valuable comments during the process of this research.

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